



## TEXAS DEPARTMENT OF INSURANCE

### Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

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## MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

### GENERAL INFORMATION

**Requestor Name**

Sentrix Pharmacy and Discount, L.L.C.

**Respondent Name**

Old Republic General Insurance Corporation

**MFDR Tracking Number**

M4-17-1798-01

**Carrier's Austin Representative**

Box Number 44

**MFDR Date Received**

February 13, 2017

### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "The claim(s) in question were properly submitted pursuant to the *Pharmaceutical Benefits* rules codified in 28 Texas Administrative Code (TAC) §134.500 through §134.550."

**Amount in Dispute:** \$2,289.71

### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "The compound medication in dispute in this matter was originally denied in June 2016 for lack of documentation."

**Response Submitted by:** Downs-Stanford, P.C.

### SUMMARY OF FINDINGS

| Dates of Service | Disputed Services            | Amount In Dispute | Amount Due |
|------------------|------------------------------|-------------------|------------|
| May 4, 2016      | Pharmacy Services - Compound | \$2,289.71        | \$0.00     |

### FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

**Background**

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §133.10 sets out the required elements of a pharmaceutical bill.
3. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - 16 – Claim/service lacks information or has submission/billing error(s) which is needed for adjudication.
  - BL – The prescribing physician's NPI number is invalid or missing.

## **Issues**

1. Did Old Republic General Insurance Company (Old Republic) raise a new defense pursuant to 28 Texas Administrative Code §133.307?
2. Is Old Republic's denial of payment for the disputed compound supported?

## **Findings**

1. In its position statement, Downs-Stanford, P.C. argued on behalf of Old Republic, "The medical bill and supporting documentation was submitted for retrospective review ... The physician did review the medication prescribed and found the medication was not medically necessary."

28 Texas Administrative Code §133.307(d)(2)(F) states, in relevant part, "The response shall address only those denial reasons presented to the requestor prior to the date the request for MFDR was filed with the division and the other party. Any new denial reasons or defenses raised shall not be considered in the review."

Review of the submitted documentation finds that Old Republic failed to present a medical necessity denial to Sentrix Pharmacy and Discount, L.L.C. (Sentrix) in accordance with 28 Texas Administrative Code §133.240 prior to the date the request for medical fee dispute resolution (MFDR) was filed. The division concludes that this defense presented in Downs-Stanford, P.C.'s position statement shall not be considered for review because this assertion constitutes a new defense pursuant to 28 Texas Administrative Code §133.307(d)(2)(F).

2. Sentrix is seeking reimbursement for a compound cream dispensed on May 4, 2016. Old Republic denied the compound with claim adjustment reason codes 16 – "CLAIM/SERVICE LACKS INFORMATION OR HAS SUBMISSION/BILLING ERROR(S) WHICH IS NEEDED FOR ADJUDICATION," and BL – "THE PRESCRIBING PHYSICIAN'S NPI NUMBER IS INVALID OR MISSING."

28 Texas Administrative Code §133.10(f)(3)(N) requires the prescribing doctor's NPI number to be included in field 14 of the Statement of Pharmacy Services (DWC066). The DWC066 submitted to the division for this medical fee dispute includes 13160200456 in this field. The division finds that this is not a valid NPI number for the prescribing doctor listed in field 13 of the DWC066.

The division concludes that Old Republic's denial of payment for this reason is supported. No reimbursement is recommended.

## **Conclusion**

For the reasons stated above, the Division finds that the requestor has not established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

## ***ORDER***

Based on the submitted information, pursuant to Texas Labor Code Section 413.031, the division hereby determines the requestor is entitled to \$0.00 additional reimbursement for the services in dispute.

## **Authorized Signature**

|                    |                                                                  |                                    |
|--------------------|------------------------------------------------------------------|------------------------------------|
| _____<br>Signature | Laurie Garnes<br>_____<br>Medical Fee Dispute Resolution Officer | December 21, 2017<br>_____<br>Date |
|--------------------|------------------------------------------------------------------|------------------------------------|

### ***YOUR RIGHT TO APPEAL***

Either party to this medical fee dispute has a right to seek review of this decision in accordance with Rule §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012.**

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**